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UNCTAD's CONTRIBUTION TO THE IMPLEMENTATION OF THE UNITED NATIONS NEW AGENDA FOR THE DEVELOPMENT OF AFRICA IN THE 1990s AND THE ROLE OF UNCTAD IN THE IMPLEMENTATION OF THE UNITED NATIONS SYSTEM-WIDE SPECIAL INITIATIVE ON AFRICA

Progress report by the Secretary-General of UNCTAD

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INTRODUCTION

1. In paragraph 87(iii) of "A Partnership for Growth and Development" (TD/377), UNCTAD IX called for a strengthening of UNCTAD's contribution, in co-operation with other relevant organizations in the Inter-agency Task Force for Africa, towards the effective implementation of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF). Further, in paragraph 107(c), the Conference requested the Board to review at its annual sessions progress in the implementation of the UN-NADAF. The forty-third session of the Board provides, under agenda item 5, the first opportunity following UNCTAD IX to do so and to consider any necessary reorientations of UNCTAD's contribution to the implementation of the New Agenda.

2. For its consideration of this item, the Board will have before it the present progress report covering the UNCTAD secretariat's activities addressing the African situation in the areas of policy research and analysis and technical cooperation as part of overall international efforts to complement African actions to halt and/or reverse the process of decline of their economies.

3. In this connection, it should be noted that the General Assembly will undertake a mid-term review of UN-NADAF at its fifty-first session. The implementation of the New Agenda, adopted in 1991, has brought about several achievements, contributing to an unprecedented change in the landscape of the African political scene and a more favourable climate for international development cooperation. However, although by 1995 more African countries had made significant progress in a number of key areas than in 1991, the overall situation shows some uncertainties. There are a number of critical issues that still require greater efforts during the mid-1990s and beyond, in particular when Africa has to face the challenge of the post-Uruguay Round trading environment. Indeed, various analyses of the socio-economic performance of African countries indicate that, despite several years of implementing structural adjustment programmes, Africa as a region has yet to show tangible signs of a strong recovery and sustained growth.[1] The region's share of both world output and trade has continued to shrink, whereas its share of world population has continued to rise. In addition to the adverse impact of political instability, ethnic conflicts and the vagaries of weather, economic performance in many countries of the region continues to be characterized by low productivity, management difficulties, failure to diversify from a narrow production and export base, and high vulnerability to the external economic environment.

4. Under agenda item 5, the Board will also consider the United Nations system-wide Special Initiative on Africa (SIA), which was launched by the Secretary-General of the United Nations in March 1996. The SIA aims to reinforce the United Nations New

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1 See for example: Adjustment in Africa: Reform, Results and the Road Ahead, World Bank, 1993; 1994 Annual Report, The Global Coalition for Africa, Washington, 1995; and, Trade and Development Report, 1995, United Nations Conference on Trade and Development.

Agenda for the Development of Africa (UN-NADAF) through practical action to maximise the support provided by the UN system to African development and to raise the priority given to Africa in the international agenda. The intention is to focus on a few issues of the highest priority and to make every effort to mobilise and coordinate the efforts of African Governments and Africa's development partners to achieve their stated goals. A Steering Committee for the Initiative is chaired by the Administrator of UNDP and the Executive Secretary of the Economic Commission for Africa.

5. The key themes of the SIA are water (under the Chairmanship of UNEP), food security (FAO), governance (UNDP), social and human development (UNESCO) and resource mobilisation (the World Bank). UNCTAD will act as lead agency for the "trade access opportunities" component of the SIA. Lead agencies are responsible for identifying quantifiable goals for each component of the Special Initiative, along with indicators to measure progress towards those goals. UNCTAD's responsibilities for the trade component of the SIA will be undertaken in consultation with other agencies cooperating on this subject, i.e. UNDP, WTO, UNIDO, FAO, World Bank, ADB, ITC, UNESCO, and IMF. In addition to consulting with these agencies on practical measures and action in support of the SIA, UNCTAD will ensure close coordination between the trade component of the SIA and the joint ITC/UNCTAD/WTO programme reported on in paragraphs 28 to 35 below. In addition, UNCTAD will be a cooperating agency in several other priority components of the SIA, namely information technology, South-South cooperation, poverty reduction and debt relief.

6. An oral progress report will be provided to the Board on UNCTAD's contribution to the SIA.

I. UNCTAD'S POLICY RESEARCH AND ANALYSIS RELEVANT TO THE UNITED NATIONS NEW AGENDA FOR THE DEVELOPMENT OF AFRICA

1. Official debt

7. In 1995 and 1996, the Trade and Development Report has dealt with the debt problems faced by developing countries, including African countries.[2] The adoption of the Naples terms by the Paris Club in December 1994 was an important step in the evolution of the debt strategy. It increased the level of official bilateral debt reduction which could be applied to debt service payments or to the stock of eligible debt to 67 per cent for low-income rescheduling countries. The stock-of-debt operation was one of the major innovations of the Naples terms designed to provide an exit from the rescheduling process. As of 30 June 1996, 19 countries had rescheduled their Paris Club debt on Naples terms, including 12 African countries.[3] Most of the African countries benefited from a 67 per cent debt reduction, with the exception of Guinea and Cameroon, which obtained a 50 per cent reduction. Three countries - Uganda, Mali and Burkina Faso - were granted stock-of-debt treatment. However, studies on the impact of the Naples terms indicate that even with their full implementation, the debt situation would remain unsustainable for a significant number of countries, mainly because of the heavy burden of their multilateral debt ans non-Paris Club bilateral debt. Progress toward a solution concerning non-Paris Club official bilateral debt is advancing very slowly and lacks a coherent framework.

8. The attention of the international community has focused recently on the debt problems of heavily indebted poor countries (HIPCs). Of the 41 countries classified by IMF/World Bank as HIPCs, 33 are African countries. The severe difficulties that HIPCs continue to experience in servicing their debt and the perception that the debt overhang poses a serious impediment to growth and development have thrust the multilateral debt issue into prominence. Debt owed to multilateral financial institutions (MFIs) accounts for an important and rising portion of total indebtedness and an even larger share of total debt service in these countries. MFIs have adopted schemes to alleviate the debt burdens of poor countries, but the scope of these measures has been limited in relation to the severity of the problem and there has been growing pressure for stronger action from MFIs.

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2 See UNCTAD, Trade and Development Report 1995 and 1996.

3 The 12 African countries are: Burkina Faso, Cameroon, Chad, Guinea, Guinea-Bissau, Mali, Mauritania, Senegal, Sierra Leone, Togo, Uganda and Zambia.

9. It has become evident that the solution to the debt problems of HIPCs would require bolder measures going beyond the existing framework. The current approach has clearly not worked satisfactorily. An effective debt strategy needs to be coordinated and comprehensive, covering all components of debt and it should involve equitable burden-sharing among all creditors. The framework for action to resolve the debt problems of HIPCs which was recently proposed by the IMF and the World Bank represents official recognition of the need for a comprehensive debt strategy and represents a commitment to act decisively to ease the burden of multilateral debt. The proposal offers hope for debt-distressed African countries, as well as other poor countries with a proven track record of economic reform and structural adjustment, to attain debt sustainability. The framework for action, which was endorsed by both the Development Committee and the Interim Committee at their spring 1996 meetings, as well as by the G-7 during the Lyon Summit, is a most welcome initiative and is guided by sound principles. However, some flexibility in the application of certain conditions determining country eligibility, as well as in the timing of enhanced multilateral action, may be justified to ensure a lasting and rapid solution to the problem. The differences that have arisen concerning the contributions of various creditors also need to be ironed out, so as to arrive at an equitable burden-sharing arrangement that is acceptable to all. The financing of such contributions should be based on additionality of resources to prevent further diversion of scarce development funds for debt relief. Among the measures proposed involving the use of MFIs' resources which would meet the additionality criterion and are unlikely to affect the financial integrity of the institutions are the sale of a portion of IMF gold stock and the use of part of the reserves of the World Bank. The problems of some MFIs in making expected contributions must also be addressed. The severity of the situation faced by a number of HIPCs calls for additional efforts by all parties concerned. It is urgent to formulate a workable plan of action for decision at the annual meetings of the IMF and the World Bank in October 1996.

2. Foreign investment

10. In 1995, the UNCTAD secretariat prepared a study on "Foreign direct investment in Africa" (UNCTAD/DTCI/19). This study discusses recent developments in relation to foreign direct investment in the continent, as well as the potential that African countries offer to foreign investors. It also makes reference to policy implications for the Governments of individual African States. The French version of the study is due to be issued in 1996. The World Investment Directory, Volume V: Africa was finalized during the reporting period and is also due to be published in 1996. It contains 53 country profiles, providing for each country comprehensive information on the legal framework and the policy regime regarding foreign direct investment, as well as detailed statistical data on foreign direct investment and transnational corporations in the particular country. The World Investment Report 1996 devotes a special section to the analysis of recent trends in foreign direct investment in Africa.

11. As a parallel event at UNCTAD IX, the UNCTAD secretariat organized a seminar on the prospects for risk capital investment in Africa. This was part of the broader effort to facilitate the access of African countries to the international pool of capital. The

discussion showed that prospects are bright for the use of investment funds or venture capital funds to channel more foreign capital to Africa. However, investors felt that a sufficient level of security, profitability and liquidity must be ensured in order to attract more investment. Major efforts are also needed to build and improve local capital market infrastructures.

12. Also relevant for Africa was a Conference decision that a pilot seminar be held on the mobilization of the private sector in order to encourage foreign investment flows towards LDCs. The seminar is scheduled to take place in 1997.

3. Commodities

13. In the context of work on resource-based development and diversification, a study is close to completion which examines resource and diversification policies relevant to a number of countries in Africa. The study aims to assess the extent to which differences in the countries' endowments with natural and human resources can explain the differing degrees of success among developing countries in diversifying their exports, and the kind of measures needed to strengthen technology and education policy in natural-resource-rich and human-resource-poor developing countries trying to diversify their exports. Special emphasis has been placed on the difference in these endowments between developing countries in East and South-East Asia and those in Africa with a view to assessing the replicability in Africa of diversification strategies applied in Asia. The main policy conclusion of the study is that Governments in natural-resource-rich economies should not view their resource endowment situation as an obstacle to diversification and development; rather they should try to manage the export proceeds from their natural resource base better and, where such activities have favourable demand prospects and do not imply exceedingly capital- and skill-intensive activities, look to enter processing activities and exports by strengthening their domestic research capacity and stock of human capital, as well as by liberalising their trade regimes.

14. In the context of reducing excessive dependence on primary commodities of developing countries, a number of general studies have been undertaken, together with various country case studies prepared with a view to analysing national experiences in horizontal and vertical diversification, including the possibilities for crop substitution. The case studies involving African countries are: United Republic of Tanzania (UNCTAD/COM/48), Cameroon (UNCTAD/COM/51), and Senegal (UNCTAD/COM/58).

15. In the area of "improving the domestic supply response", a joint UNCTAD/WTO document presented to UNCTAD IX examined development issues pertaining to LDCs - and therefore to many countries in Africa. An improvement in supply-side conditions in LDCs is seen as a key prerequisite to prevent the marginalization of these countries in the liberalized global economy, as well as to improve their participation in international exchanges of goods and services and their access to foreign investments and know-how. The economies of the LDCs are characterized by a variety of supply-side constraints or structural weaknesses which are a barrier to the expansion of traditional primary and non-traditional products. Two issues are highlighted: the importance of

macro-oriented investment initiatives for the LDCs, and the potential benefits of more micro-oriented technical assistance initiatives.

16. The design and implementation of environmental and economic policies, including the internalization of environmental costs, in particular in the commodity sector which interacts very strongly with the environment and natural resource base, is a crucial aspect of sustainable development. Two joint UNCTAD/UNEP expert group meetings were held in 1995 in New York and Geneva on these issues. Participants, including several from Africa, discussed the need to undertake measures that reconcile a multitude of objectives; whether these economic, social and environmental objectives are contradictory; and what the best approach would be when contradictions are apparent. The meeting in Geneva also discussed three case studies on these issues, including two covering African countries, namely Egypt (UNCTAD/COM/Misc.96) and South Africa (UNCTAD/COM/Misc.87).

17. Further work was done on the issue of commodity marketing, price risk management and finance in Africa. A policy report identifying possibilities for countries to manage their price risks in a more effective manner was written on mineral and fuel price risks in Southern Africa (UNCTAD/COM/69). A report on oil marketing and risk management in Africa is about to be published.

4. Economic cooperation among developing countries

18. The UNCTAD secretariat's policy analyses and research on ECDC since 1990 have centred on the changes and emerging trends in the fields of subregional and regional economic integration, monetary and financial cooperation, and enterprise and technology cooperation and development among developing countries, particularly in the light of the liberalization and globalization of the world economy. Analyses and research for developing countries in general and Africa in particular have been incorporated in the reports prepared for the meetings of the Standing Committee on Economic Cooperation among Developing Countries. These included a review of developments in ECDC (TD/B/CN.3/9), a report on strengthening subregional and regional integration and fostering interregional cooperation, as well as promoting and expanding trade among developing countries (TD/B/CN.3/8), an evaluation of developments in ECDC and implications of the Uruguay Round results (TD/B/CN.3/14), a report on measures for enlarging and deepening monetary, financial and investment cooperation among developing countries and promoting cooperation of the enterprise sectors of developing countries (TD/B/CN.3/13), and another on possible new orientations in future UNCTAD work on ECDC, including the special needs of African countries (TD/B/CN.3/15).

19. Africa-specific analyses were addressed by way of technical reports including the following: "Regional and subregional economic integration and cooperation: Adjusting to changing realities - The African Case" (UNCTAD/ECDC/228); "National implementation of subregional, regional and interregional decisions and programmes: A case study of Zimbabwe (UNCTAD/ECDC/249); "Export processing zones of sub-Saharan Africa -Parts I and II" (UNCTAD/ECDC/225); "Handbook of private trading enterprises

of sub-Saharan Africa" (UNCTAD/ECDC/212); "Multinational enterprises of sub-Saharan Africa - Analytical Compendium" (UNCTAD/ECDC/201); and "Institutional cooperation among African and Latin American clearing and payments arrangements" (UNCTAD/ECDC/237). Among other technical reports prepared which include analyses on intra-African cooperation, the following could be mentioned: "Report on country experiences in economic cooperation among developing countries" (UNCTAD/ECDC/252), "Comparative analysis of trade liberalization programmes of integration groupings" (UNCTAD/ECDC/251), and "State of South-South Cooperation: Statistical Pocket Book and Index of Cooperation Organizations" (UNCTAD/ECDC/253, Sales No. 95-II.D.18). Finally, a forthcoming publication entitled "Handbook of economic integration and cooperation groupings, Volume I" (UNCTAD/ECDC/243) provides a comprehensive review of the general characteristics, history and main areas of cooperation of major subregional and regional integration and cooperation groupings in Africa, as well as in other developing regions.

20. The UNCTAD secretariat's studies indicate that African countries have instituted a large number of economic integration and cooperation groupings and launched new initiatives to strengthen these groupings. New fully fledged subregional and regional common market institutions and programmes have been established by the adoption of new treaties or the revision of existing treaties. These include the African Economic Community, the Common Market for Eastern and Southern Africa, the Southern African Development Community, the Economic and Monetary Community of Central Africa, the West African Economic and Monetary Union, and the revised Treaty of the Economic Community of West African States.

21. The main findings of the UNCTAD secretariat's analyses are that African integration institutions need to be strengthened to enhance their effectiveness in building viable integration processes. To this effect integration institutions should be endowed with the necessary legal capacity to take decisions which are legally binding on or have direct applicability in member States as part of a wider strategy for improving implementation of decisions and programmes. These institutions should also be supplied with the necessary resources (manpower and financial) to implement their cooperation programmes in a technically competent fashion. In particular, the institutions could be provided with autonomous sources of revenue independent of budgetary appropriations from member States, following the model of the European Union, where the Commission is financed from revenues accruing from import duties. In addition, far-reaching rationalization is required of the numerous existing institutions with overlapping membership and objectives. If not, some arrangements for coordination could be set up to ensure that the programmes and activities of individual institutions in a subregion are complementary and not conflicting.

22. In addition, the consolidation of market spaces has proceeded mainly through trade liberalization, and little attention has been given to the improvement of production capacities and the necessary monetary and financial cooperation. A related concern is the need to compensate countries for fiscal revenue losses resulting from their participation in a subregional trade liberalization scheme.

23. A particularly major impediment to intra-African cooperation has been the poor quality of regional infrastructure and networks. Continental roads, railways, airlines and telecommunications facilities linking countries within Africa are still very few, and subregional networks are either obsolete and run-down or virtually non-existent. A standing priority therefore is enhanced cross-border cooperation in the building, rehabilitation, extension and inter connection of inter- and intra-regional transportation and communication networks. It could be added that subregional integration has become an all-embracing process, so that actors involved in it should include, in addition to Governments, the business community, other development actors, and programmes for political cooperation to promote good neighbourliness, peace and stability within the subregion and region. Ultimately, subregional and regional cooperation and integration constitute major pillars for underpinning the development and economic transformation of African countries, for promoting their social, cultural and economic integration and for increasing their participation in the world economy.

5. Least developed countries

24. Thirty-three African countries are classified among the least developed countries (LDCs). At present 48 countries are classified as LDCs. Many of the priorities identified and the recommendations made in the Programme of Action for the LDCs for the 1990s correspond to those contained in the New Agenda for the Development of Africa and are supportive of its implementation. A High-level Intergovernmental Meeting held in September-October 1995 undertook a Mid-term Global Review on the Implementation of the Programme of Action for the LDCs. It adopted a number of recommendations covering key areas of concern to the African LDCs, e.g. in the areas of economic policy reforms, external trade and investment, and external finance and debt.

25. The socio-economic problems of the 33 African LDCs the continued to receive emphasis in the reports issued by the UNCTAD secretariat. *The Least Developed Countries Report* for 1995 and 1996 analyzed a number of issues related to the New Agenda and of relevance to the Special Initiative on Africa. These include national efforts such as policy reforms in LDCs, including financial-sector reforms; assessment of food security and areas for priority action in agriculture; factors affecting the performance of the manufacturing sector and infrastructural facilities; and trade diversification and the international environment for LDCs (the outcome of the Uruguay Round, the GSP, the impact of devaluation on LDCs in the franc zone, the implications of globalization and liberalization, regional trading arrangements, external resource transfers, including private investment flows, and debt relief).

26. The objectives of future actions will focus on preventing further marginalization of LDCs in world trade, investment, commodities and capital markets and to contribute to their integration and fuller participation in the global economy. In the context of the Special Initiative on Africa, work will cover the following areas: external support for Africa's economic transition; internal resource mobilization: domestic saving and investment; poverty reduction through the promotion of the informal sector and

employment - generating opportunities; food security with special emphasis on women; and small and medium-scale enterprise development.

6. Land-locked developing countries

27. Assistance in improving transit transport efficiency in Africa continues to feature prominently in UNCTAD's work programme. Fifteen of the 29 land-locked developing countries are located in the African region. It is important to note that 13 of these countries are also least developed, so that transit transport constraints, which lead to high transport costs, represent a further factor adversely affecting the overall economic development of these countries, particularly with respect to the external sector. UNCTAD's work on behalf of land-locked developing countries continues to focus on the analysis of the evolution of the particular needs and problems of these countries. Furthermore, UNCTAD reviews and monitors the implementation of the measures that have been agreed upon in international fora which are designed to strengthen the cooperative arrangements between land-locked developing countries and their transit neighbours, including the improvement of the physical transit transport infrastructure, the removal of non-physical barriers to transit traffic, institution-building and enhancing skills required for efficient transit transport operations.

II. UNCTAD TECHNICAL COOPERATION ACTIVITIES IN AFRICA[4]

1. Trade

(i) ITC/UNCTAD/WTO: Integrated technical assistance programme in selected least developed and other African countries

(a) Objectives

28. African countries - especially the least developed - have a pressing need for technical cooperation to assist them in the process of integration into the world economy and to address the implications of the Uruguay Round Agreements and the new multilateral trading system. This requires a commensurate response in the form of more integrated provision of technical assistance by ITC/UNCTAD/WTO to the countries concerned. In addition, its implementation will be greatly facilitated by pursuing cooperation, and complementarity with other international organizations, in particular the World Bank and UNDP.

29. The integrated programme will be undertaken initially in eight African countries, including four least developed countries, namely Benin, Burkina Faso, Uganda and the United Republic of Tanzania, as well as four other countries. The objective is to enhance the development prospects and competitiveness of African countries through increased participation in international trade. At the time of completing this report, initial visits and some training events had been carried out in seven of the eight countries. Further information on the progress of the programme will be provided to the Board in the course of its session.

30. The integrated technical assistance programme is a global package comprising human resource development and institutional capacity-building through training, seminars or workshops, and product and market analysis, designed, on the one hand, to contribute, to a better understanding of WTO rules, so as to facilitate their implementation and, on the other, to identify product and market challenges and opportunities, as well as policy-based and other bottlenecks, in particular sectors of interest to these countries, based on the identification and assessment of their specific needs.

31. Alongside this programme, other technical cooperation activities of WTO, ITC and UNCTAD will continue to be available to these countries. For these, increased cooperation and coordination will be sought to avoid duplication and expand complementarities both among the three institutions' activities and within the overall integrated thrust of the programme described here.

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4 For additional information on UNCTAD's technical cooperation activities, see document TD/B/43/7.

(b) Training and human resources development

32. In stage one of the integrated programme, priority attention will be paid to human-resource development and institution building and strengthening, with particular attention paid to the Uruguay Round Agreements. Stage two then focuses on policy and other supportive measures required to strengthen the export supply capabilities of beneficiary countries, in particular taking into account the challenges and new market opportunities created by the Uruguay Round.

33. In-country training will involve: (i) a national/subregional seminar for the public and private sectors (1-2 weeks); (ii) fostering of trade: opportunities and policy needs (1 week); (iii) training of experts: preparatory phase (1 week). In-depth training sessions will be held for professionals responsible for implementation or otherwise already familiar with the Agreements (e.g. international business trainers, lawyers, consultants, business associations' representatives, technical professionals, etc.) to focus on the implications of the Uruguay Round Agreements and the multilateral trade framework. Supportive material, such as UNCTAD's TRAINFORTRADE - particularly its Commercial Diplomacy package - will also be presented and made available to participants.

(c) Strengthening export supply capabilities

34. In this area, activities will involve: (a) institutional capacity-building with a direct bearing on trade performance; (b) integration of trade policy-making and implementation as an integral part of macro-economic policy-making; (c) identification of bottlenecks: administrative, regulatory and infrastructural; (d) support for the building of efficient and competitive service sectors, linking liberalisation objectives in the context of GATS to improvement of competitiveness in the production of goods and services; (e) measures to promote the efficiency of trading, including trade support services, transport/infrastructural development; (f) the continuous flow of information to the business community and public sectors of participating countries on opportunities and challenges for deeper integration with the international trading system; (g) support to product and export-market diversification, including GSP utilization; (h) strengthening the negotiating capacity of African countries, particularly by assisting participating countries to further their trade interests in international trade negotiations; and (i) human-resource development in all of the above areas. A progress report will be prepared every six months.

(d) Resources

35. In line with the integration of the three organizations' actions at the substantive level, as described above, the implementation of this programme will be based on a cooperative pooling of their applicable resources. The three organizations will, accordingly, draw from their regular budgets as feasible and as provided within their regular activities involving the countries concerned. The WTO Trust Fund for Least Developed Countries provided by the Norwegian Government will be resorted to for some

of the activities/expenses, and the same applies to resources available under ITC's All Africa Integrated Modular Programme in Support of African Enterprises. The possibility of supplementary ad hoc funding will be explored as necessary. A detailed budget for initial activities is under joint preparation by the three institutions.

36. In addition to the above programme, UNCTAD is assisting UNDP to prepare a regional technical cooperation programme designed to assist African developing countries in strengthening their competitive trading position and thereby to facilitate their integration into the international trading system. The thrust of the programme is intended to be on the building of capacity for policy analysis, formulation and implementation in the areas of trade and development in the post-Uruguay Round environment. Particular importance will be attached to the formulation and implementation of effective trade strategies, their conformity with broader macroeconomic policies and multilateral rules and disciplines, and the elaboration of negotiating positions at WTO. UNCTAD has proposed to UNDP that this effort be coordinated with the joint ITC/UNCTAD/WTO programme described above.

(ii) Trade and environment

37. Five African countries have been included in the secretariat's research work on the interlinkages between trade and environment in specific developing countries. A research team in Zimbabwe has already finalized its work, and a summary of the country case study has been published as document TD/B/WG.6/Misc.8 and presented at the third session of the Ad Hoc Working Group on Trade, Environment and Development (November 1995). The research team for Uganda has already presented a draft of its work, while the teams in Egypt and Cameroon have recently started their investigations. South Africa is an additional country which is being considered for inclusion in the work on the interlinkages between trade and environment in specific developing countries.

38. In March 1996, a Workshop was organized by the UNCTAD secretariat for Egypt on new trading opportunities emerging from the new EU Mediterranean policy, as well as from the completion of the Uruguay Round. Part of the Workshop was devoted to analysing several trade and environment-related issues.

39. Following the results of the ninth Conference, the UNCTAD secretariat is increasing its work on issues of special interest to least developed countries and its activities in Africa. In the field of trade and environment, a seminar will most likely be held in Madagascar before the end of the year.

(iii) Restrictive business practices and competition law

40. UNCTAD organized an African workshop on competition policy in Tunis in October 1995 pursuant to a request made by the Intergovernmental Group of Experts on RBPs in March, acting as a preparatory body for the Third United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, which took place subsequently in Geneva, in November 1995. The objective of the Workshop was to sensitize African countries to the role of competition policy in economic reforms, to facilitate exchanges of views between countries having competition legislation and implementing authorities and those countries which were still in the initial stages of drafting competition legislation, and to prepare them for the Third Review Conference. The workshop was attended by 35 participants from Tunisia, Egypt, Morocco, Gabon, Ghana, Mauritania, Kenya, South Africa, Zambia and Zimbabwe. It was also attended by representatives of the World Bank, the European Union and France and by the Chairman of the OECD Committee on Competition Law and Policy.

41. On 4-6 December 1995, a national competition seminar was held in Lusaka, Zambia, in which experts from Kenya, South Africa and the United Kingdom participated. It was organized by the Ministry of Commerce, Trade and Industry of Zambia. The preparatory work and financial support was made possible by UNCTAD and UNDP. A Symposium on Competition Policy and Legislation was also organized by UNCTAD in Malawi on 6-7 June 1996, in which experts from South Africa participated. Further, as requested by UNCTAD IX in Midrand, UNCTAD's activities related to competition law of particular relevance to development will include "focusing on Africa, by holding a regional meeting, creating relevant inventories and data bases, and establishing a technical cooperation programme" (para. 91 (iii)).

(iv) Generalized system of preferences

42. In the area of GSP, Africa can be expected to receive greater attention in the context of efforts to strengthen the benefits which LDCs can derive from the various GSP arrangements. Preference-giving countries are aware of the special needs of LDCs, in particular in Africa, and some of them have already implemented certain improvements in their schemes. There is broad agreement that areas where benefits for LDCs can be enhanced include the extension of product coverage, the provision of market access free of duties, ceilings and quotas, and rules of origin. Moreover, UNCTAD's technical cooperation regarding GSP will focus future advisory, training and information activities more on LDCs, particularly those in Africa. Such cooperation will aim to enable LDCs to achieve a better utilization of existing preferences, improve the information base on GSP and make the channels for dissemination of up-to-date information more efficient, using new information technologies to a greater extent and reaching out directly to interested exporters.

(v) Services development (CAPAS)

43. Technical cooperation activities in African countries in the field of services continued in the framework of the Coordinated African Programme of Assistance on Services (CAPAS). The CAPAS has been financed by the French Government, the International Development Research Centre (IDRC) of Canada, the Carnegie Corporation of New York and the Government of the Netherlands, as well as by cost-sharing contributions from the Commonwealth Secretariat and the International Telecommunications Union. The programme activities are coordinated jointly by UNCTAD and the Department of Development Support and Management Sergvices (DDSMS) (New York). The CAPAS focuses on building a policy-analysis and decision-making capacity in areas of domestic service sectors and international trade in services in the participating countries. The programme links issues of services growth and development and trade in services by focusing, in part, on the requirements of the General Agreement on Trade in Services (GATS). It has been operational since early 1992 and 10 African countries participate in the programme: Benin, Burundi, Ghana, Guinea, Kenya, Nigeria, Senegal, Uganda, United Republic of Tanzania and Zimbabwe.

44. Following the May 1994 Nairobi Meeting, Phase II of CAPAS was launched involving the same 10 countries. It focuses on the preparation of country-level selected sectoral studies. The subsectors selected for the studies are trade logistics services, financial services, telecommunications services, and labour services. The CAPAS Phase II kick-off workshop on "Methodologies for the CAPAS Phase II Sectoral Studies" was held at Harare on 16-17 March 1995 to bring together the national research team leaders and the CAPAS coordinators from the 10 countries and to discuss the implementation of the work plan. On 29 May 1995, at Dakar, Senegal, a Regional Meeting was organized to review the progress of the sectoral studies being undertaken for CAPAS Phase II. Mid-term review missions have been undertaken to the eight CAPAS countries which are carrying out national sectoral studies (Benin, Guinea, Senegal, Ghana, Zimbabwe, Kenya, Burundi and Uganda).

45. In varying degrees, all CAPAS countries have used the analytical capacity gained from the implementation of the programme to prepare the schedules of market access commitments required from all countries to become a contracting party to the GATS. CAPAS Phase II, by focusing on sectoral areas still being negotiated or on which negotiations will resume in the near future, will provide additional opportunities for each country to further refine its negotiating position and commitments on services in the World Trade Organization. Also, the Programme has succeeded in starting a new dialogue between government and the private sector on matters of policy-making.

2. Debt

(i) Debt negotiations

46. Under the project on support for African countries for the rescheduling of official bilateral debt, the UNCTAD secretariat assisted Ethiopia, Guinea-Bissau, Mauritania, Senegal and Togo in preparing for their Paris Club meetings. Advice was provided on preparing the economic memorandum and the request submitted to Paris Club creditors, simulating the impact of Paris Club rescheduling on future debt service payments under alternative scenarios, and formulating a negotiating strategy.

47. Under the same project, UNCTAD carried out a study on the debt of African countries to non-OECD official creditors, namely the Russian Federation and Arab countries and institutions. Field work was undertaken in 11 countries (Angola, Ethiopia, Guinea, Guinea-Bissau, Mauritania, Mozambique, Sao Tome and Principe, Senegal, Uganda, United Republic of Tanzania and Zambia). The study was completed in June 1996. A seminar is scheduled for late 1996 to discuss the findings of the study, with the participation of creditors and African countries.

48. As part of the project on the conversion of official bilateral debt, a two-day workshop was organized for Eastern and Southern African countries in Kampala, Uganda, in August 1995. Eight countries participated in the workshop (Angola, Kenya, Lesotho, Malawi, Swaziland, Uganda, United Republic of Tanzania and Zambia). It focused on the implementation of debt conversion programmes and stimulated an extensive exchange of information on country experiences. It was conducted on the basis of a training manual prepared under the project.

(ii) Debt management

(a) Activities in Eastern and Southern Africa (the ESAIDARM region)

49. In 1991, UNCTAD introduced the first regional debt management project in Eastern and Southern Africa by placing a Chief Technical Advisor in the region. His assignment was to provide decentralized support to the Debt Management and Finanical Analysis System (DMFAS) installations in Uganda, Zambia, Ethiopia, Rwanda and Burundi, answering to any debt recording and management needs these countries may have. In this way UNCTAD pioneered some of the ideas and principles on which the Eastern and Southern African Initiative in Debt and Reserves Management (ESAIDARM) was later founded. Through these activities, UNCTAD has a proven record as an active player in capacity-building in debt management in the region.

50. Recent joint UNCTAD/ESAIDARM activities include UNCTAD participation in a number of ESAIDARM's workshops and seminars, a joint domestic debt study, and ESAIDARM participation in the implementation of the DMFAS 5.0 software in the region. In addition, ESAIDARM and UNCTAD communicate almost daily regarding documentation, training activities and future work programmes.

51. The mid-term review of ESAIDARM, conducted in October/November 1995, highly commended its achievements. It concluded that the products and services of the organization are generally of high quality and are provided at below budget targets. ESAIDARM has been particularly successful in the areas of debt management training and advisory services in debt recording, analysis and strategy, as well as in building a core group of "fellows" who will eventually act as regional advisors and consultants in debt and reserves management. The on-going cooperation between UNCTAD and ESAIDARM for the rest of 1996 includes continued support for ESAIDARM's training activities.

52. In January 1997 ESAIDARM will become the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) and its mandate will be expanded. In addition to ESAIDARM's two existing programmes, the Debt Management Programme and the Reserves Management Programme, MEFMI will also have a Macroeconomic and Financial Management Programme. UNCTAD's full support for ESAIDARM will continue under this expanded mandate also.

53. UNCTAD has, in addition to the activities it undertakes in direct cooperation with ESAIDARM, been contacted by several of the countries in the region with requests for specialized modules on short-term and, in particular, domestic debt. In the light of ESAIDARM's extended mandate which will comprise all aspects of public finance, these requests are particularly interesting and open the door for new areas of cooperation in software development and training activities within the areas of domestic and short-term debt.

(b) <u>African activities outside the ESAIDARM region - on-going projects</u>

54. Outside the ESAIDARM region UNCTAD's estabiished debt management projects in sub-Saharan Africa include projects in Burundi (since 1987), Djibouti (since 1987), Ethiopia (since 1988), Rwanda (since 1991) and Togo (since 1985). Two new projects started in 1995/96 in the Central African Republic (1995) and Mauritania (1996). In addition, Sudan has accepted a project to install DMFAS 5.0. Activities under this project, however, have not yet commenced

(iii) <u>Future activities on debt</u>

55. During 1995/96, needs assessment/demonstration missions were fielded to several countries in the Africa region. In addition, a number of other African countries have also requested needs assessment missions in the near future to evaluate the possibilities of implementing the DMFAS. The number of active projects is therefore expected to increase over the coming years.

3. Commodities

(i) Natural resources and sustainable development

56. In 1995 a project was initiated on "Natural resources and commodity production: A participatory framework for sustainable development". It focuses on the mineral sector, which has so far been given little attention in the follow-up to UNCED in spite of the fact that mineral projects often raise difficult and important issues of sustainable land use and local community development. The general objective of the project is to enhance the capacity of the public and private sectors of developing countries to address, in a participatory framework, those issues of sustainable development which arise when natural resources are exploited for primary commodity production.

57. In the initial phase, it is intended to pilot this project in at least five different countries. The first pilot project is already under way in South Africa. In cooperation with the local government of the Northern Cape Province, the project is examining long-term development alternatives for the Namaqualand region, where major adjustment problems are expected to result from the downscaling of diamond mining over the next 10 years. This pilot project in South Africa was recently featured in "Azimuths", the UNDP documentary film series for television, under the title "The Price of a Diamond". It is part of a broader project which emphasises capacity-building and participatory processes for the sustainable management of natural resources. Funding is currently being sought for project application in other countries in Africa and in other regions.

(ii) Commodity processing

58. Under the pilot project on commodity processing in selected developing countries, UNCTAD has initiated an activity aimed at encouraging private investment in processing facilities through a new multi-agency cooperation mechanism, based on utilization and direct participation of international and regional organizations with competence in related areas. In Africa, it assessed the commodity-sector potential of Cameroon, developed project profiles and organized a round-table meeting with the participation of the Government, the local private sector, independent experts and representatives of participating agencies (FAO, UNIDO, UNDP, World Bank and the African Development Bank) with a view to evaluating the viability of potential investment projects. The meeting agreed on sectors with particular processing potential. In selected areas, projects were discussed and commitments identified. After the meeting, consultations were held with potential investors, promoters and funding agencies which have expressed interest in projects concerned. As it was widely felt that the project mechanism has been successfully tested, representatives of the organizations involved in the project have expressed the view that other African countries which remain highly dependent on exports of primary commodities could become beneficiaries of similar activities.

(iii) Commodity marketing and risk management

59. A training workshop on coffee marketing and risk management was organized in Uganda, and contributions were made to policy seminars in Côte d'Ivoire (on soft commodities, for African policy-makers) and Burkina Faso (on oil, for a number of Western African countries). The main activity was a high-level oil marketing, risk management and finance conference in Harare, Zimbabwe, in April 1996; this conference, part of a technical cooperation programme funded by the Government of the Netherlands, drew over 130 participants from public and private entities throughout Africa. The objective of the conference consisted in improving the awareness and knowledge of modern marketing, risk management and finance instruments among those importers and exporters who are active in Africa's oil sector. A series of reports was prepared and presented, and participants played a very active role in the conference's debates. The conference's host, the Government of Zimbabwe (through its oil parastatal, NOCZIM), offered to host a follow-up conference in 1997, and the UNCTAD secretariat has received several requests for country-level follow-up from a number of countries. The secretariat is currently looking for ways to meet these requests.

60. Apart from a more comprehensive programme on oil risk management and finance in Africa, the UNCTAD secretariat hopes to be able, depending on the availability of technical cooperation funds, to intensify its programme on risk management and finance in both the coffee and cocoa sectors; to provide training on metals price risk management (a training manual has been prepared); to analyze, in various countries, the possibilities for farmers' associations to take up the role of price stabilizing entities (through the use of market-based instruments) often lost with the privatization of marketing arrangements; and to provide policy advice to selected countries on the legal and regulatory requirements for proper use of modern risk management and finance instruments.

4. Investment, science and technology

(i) Privatization

61. At the request of, and in cooperation with, the Government of Zimbabwe, a privatization seminar was held in Harare from 22 to 24 march 1995. The objectives of the seminar included: (a) demonstrating benefits to be gained from public enterprise reform and privatization; (b) providing participants with an overview of issues involved and country experiences in public enterprise reform and privatization; (c) presenting the critical factors and options available in designing and implementing privatization programmes.

62. Participants were representatives of national agencies in charge of designing and implementing policies on privatization or other forms of public enterprise reform, officials from sectoral Ministries, chiefs or senior executives of public enterprises, officials from trade unions and representatives from the private sector.

(ii) Advisory services on investment and technology

63. UNCTAD's Advisory Service on Investment and Technology (ASIT) has continued to provide advisory services and training packages related to designing foreign investment policies, formulating sectoral investment regimes and strengthening institutions to promote foreign investment. For example, advisory missions were undertaken in Ghana (to review the Investment Code), Cameroon (to advise on the establishment of export processing zones and offshore banking regimes) and Mali (to review the mineral sector policy regime). Under a long-term project funded by UNDP, UNCTAD has provided technical assistance to Sao Tome and Principe in connection with various activities related to the establishment of a free economic zone. Under another long-term project also funded by UNDP, UNCTAD has provided advisory services to Eritrea's Ministry of Energy, Mining and Water Resources in the drafting of model mining contracts.

64. Training activities have been carried out either by UNCTAD on its own or in collaboration with other international organizations. For example, two training workshops - one in South Africa (February 1996) and the other in Ethiopia (April 1996) - on foreign investment policy formulation and the structuring of joint ventures were carried out in collaboration with the International Development Law Institute. UNCTAD on its own organized a training seminar in April 1995 for Eritrea on petroleum economics and petroleum fiscal systems.

65. ASIT has continued to provide support to SME development programmes in Africa. Substantive assistance was provided in organizing and conducting the President's Conference on Small, Medium and Micro Enterprises (SMMEs), which took place in March 1995 in Durban, South Africa. This successful Conference, involving 2,000 participants from small and big businesses, NGOs, international donor agencies, foreign Governments and the South African Government, mobilized broad-based support for the Government's White Paper on SMME development and helped to formulate the National Programme of Action on Small Business Development in South Africa. ASIT's flagship SME programme, EMPRETEC,[5] is also expanding. Since EMPRETEC's inception in 1988, the programme has become operational in a number of developing countries, including new projects that are being initiated in Angola, Botswana and South Africa. The EMPRETEC projects in Ghana and Nigeria are now self-sustaining. In Africa, UNCTAD is implementing the project in Zimbabwe, and UN-DDSMS the project in Ethiopia.

66. A major new initiative by UNCTAD is the Africa Connect programme. An international business conference was held from 2 to 4 May 1996 in South Africa to act as a catalyst for identifying and realizing greater flows of international and cross-country investment and trade transactions. The Conference was attended by approximately 500 persons representing African business organizations, African and foreign firms and governments. The Africa Connect conference was not intended to be a one-off activity

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5 Empretec is a Spanish acronym symbolizing the link between entrepreneurs and technology (empresa y tecnología).

but is an integral part of a medium-term strategy and related programme for galvanizing the African and international business community into creating greater investment and trade flows in that region. In this regard, the technical assistance that UNCTAD is in a position to provide, possibly sometimes in conjunction with other agencies, will include advisory servicesas follows:

(a) Assistance will be provided to individual countries which, in order to benefit concretely from the information and analysis provided at the Africa Connect conference, wish to modify in some way either their business legislative and regulatory framework or their approach to industrial policy and TNC targeting;

(b) Assistance will be provided to a greater number of countries in Africa via a strengthening and improving of their SME policies and entrepreneurship (including Empretec) programmes;

(c) Assistance will be provided to more individual public and private sector firms in the structuring and negotiating of joint venture arrangements and other transactions with foreign partners;

(d) Assistance will be provided to Governments in the privatization of state-owned enterprises.

(iii) Capacity-building

67. Under a project specially designed to foster technological capacity-building in the least developed countries, case studies were prepared on Bangladesh, Ethiopia, Nepal and the United Republic of Tanzania. Recommendations on measures for strengthening technological capacities were discussed at the Workshop on Selected Cooperation Aspects for Technological Capacity-building in Developing Countries, held in Geneva in April 1995, and the project's policy conclusions were diffused widely to end users (UNCTAD/DST/7).

(iv) Advance Technology Assessment (ATAS)

68. The Advance Technology Assessment Bulletin is a vehicle for strengthening endogenous capacity-building, particularly in developing countries. The tenth issue of the ATAS Bulletin (Advance Technology Assessment System) was published during the reporting period and given wide distribution. The initial 4,000 copies produced have been exhausted. Some were used at a workshop organized by the Commonwealth Secretariat for senior information officials from African Commonwealth countries held in Nairobi (March 1996). Similarly, 200 copies were requested by the South Africa Council for Scientific and Industrial Research (CSIR), the Development Bank of South Africa and the International Development Research Centre (IDRC), as a background document for the Conference on Global Information held in South Africa, in May 1996.

69. An abridged version of the Bulletin, entitled Information Society and Development, was also published in response to a request from the European Union. This was used as a background document for a conference held in Midrand (May 1996), organized by UNCTAD in cooperation with South Africa and the European Union.

5. Shipping, ports and multimodal transport

(i) Maritime legislation

70. Assistance was provided to the Ministerial Conference of West and Central African States on Maritime Transport (MINCOMAR) on the harmonization of maritime legislation through the preparation of guidelines and recommendations after careful study of the existing maritime laws and regulations of the anglophone and francophone member States of MINCONMAR. UNCTAD also assisted national experts in the revision of the Draft Maritime Code of Côte d'Ivoire.

(ii) Port management and development

71. A major technical assistance project continued in Somalia. The objective is the rehabilitation of Somali port management in all four main ports of the country. After the ending of the UNOSOM II mandate in March 1995, activities of the project were suspended in the southern ports of Mogadishu and Kismayu and concentrated more on the northern ports of Berbera and Bosasso.

72. The project helped in setting up Boards to manage the Ports of Berbera and Bosasso. In 1995, seminars were conducted for Board members in Djibouti and Nairobi. Security, operations and financial expertise were fielded during the second half of the year to devise the basic operating and administrative procedures for these ports. A seminar for 11 potential Board members for the port of Kismayu also took place in October in Nairobi.

73. The project continues to monitor the situation in the ports of Mogadishu and Kismayu by making visits from time to time. This supplements the security surveys carried out by UNDP on a country basis. The security situation for the moment precludes project activities in these two ports.

(iii) Maritime management training

74. TRAINMAR[6] centres have been established in Angola and Mozambique, with courses and trainers being exchanged between them; in parallel, consultations have proceeded with maritime organizations in South Africa with a view to providing a new focus for Africa-wide cooperation.

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6 TRAINMAR stands for Training for the Maritime Industry.

(iv) RoadTracker and Lake/river Tracker[7]

75. In 1995, 10 projects were active including a major one for the COMESA countries in Southern Africa. Following the installation of the ACIS RailTracker in the railways of Senegal, Mali, Burkina Faso, Côte d'Ivoire, Ghana and Cameroon in the previous years, the system was installed in Uganda, Kenya, the United Republic of Tanzania and Zambia in 1995 as part of the Common Market for Eastern and Southern Africa (COMESA) project.

76. In the case of the East African networks, a significant output of ACIS is its contribution to subregional integration, with the railways extending monitoring and access to their systems beyond their borders with the computer interconnection of the three railways. Kenya, Uganda and Tanzania Railways now have access to each other's information system. This has contributed to the improvement of the relations between them and to the recent setting up of an Ad hoc committee to monitor subregional railway traffic along the corridors serving Uganda, Rwanda, Burundi and Eastern Zaire.

77. The installation of PortTracker was also completed in 1995 in the Ports of Tema (Ghana) and Mombasa (Kenya). In both ports, all vessel traffic is now being monitored by ACIS, and this provides valuable help for maritime operations (bookings, berth occupancy, pilot/tug services, etc.) and for goods traffic in and out of the ports: the gate pass for all container transport is produced by ACIS, with the corresponding improvement in efficiency and security.

6. Insurance

78. Based on the results of a report on the training needs of insurance supervisory authorities of African and Indian Ocean countries, three seminars on "Supervision of Insurance Operations" for three different subregions of Africa were held in 1995. In all, 80 staff of supervisory authorities from 30 countries participated in the seminars:(a) in Cairo (January 1995) for the East and West African English-speaking countries, with representatives from 12 countries (Egypt, Eritrea, Ethiopia, Ghana, Kenya, Liberia, Nigeria, Sudan, Sri Lanka, South Africa, Ugandaand the United Republic of Tanzania); (b) in Pretoria (July 1995) for Southern African supervisory authorities, with participants from seven countries (Botswana, Lesotho, Malawi, Namibia, Zambia, Zimbabwe and South Africa); (c) in Casablanca (scheduled for December 1995, but postponed and held in January 1996) for the French-speaking countries of North and West Africa, with participants from 10 countries (Algeria, Burkina Faso, Chad, Côte d'Ivoire, Gabon, Guinea, Mauritania, Senegal, Togo, Tunisia) and a representative of the Brown Card Agreement.

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7 Road, lake, river, rail Tracker are elements of the Advance Cargo Information System, a computerized transport management information system to track cargo from one point to another.

7. Economic cooperation among developing countries

79. The mobilization of financial and technical assistance is a key requirement in supporting the implementation, by African countries and their cooperation groupings, of the new programmes and initiatives for the strengthening of subregional and regional integration processes, monetary and financial cooperation, enterprise cooperation and cooperation for technological development. For its part, the UNCTAD secretariat has undertaken, and proposes to undertake depending on the availability of resources, a number of technical assistance activities in support of intra-African cooperation and integration.

80. Technical assistance projects for Africa included the following: (a) support for ECOWAS in the establishment of coastal shipping services in West and Central Africa, in the establishment of a common external tariff, and in the improvement of the West African Clearing House and its transformation into a monetary agency; (b) support for the Economic Community of Central African States (ECCAS) in the areas of rules of origin, customs regulation and documentation, compensation for budgetary losses resulting from trade liberalization, and the elaboration of a work programme for the setting up of a common external tariff; and (c) support for trade promotion between African and Latin American countries involving activities centred on the business communities and which led to the establishment of the Latin American Association of Trading Enterprises and its African counter-part, the African Association of Trading Enterprises. Follow-up activities to these projects proposed by the UNCTAD secretariat have not materialized owing primarily to difficulties in mobilizing the requisite financial resources.

81. Assistance is being provided to the Arab Maghreb Union in developing a mechanism of compensation for fiscal revenue losses resulting from the implementation of its trade liberalization programme. Assistance is also being provided to the Southern African Development Community in analysing the implications of the Uruguay Round and developing strategic actions to cope with the emerging global trading system.

8. Least developed countries

82. Three expert group meetings were convened in preparation for the Mid-term Global Review on the Implementation of the Programme of Action for the LDCs. They were devoted to the role of women in the development of the LDCs, fiscal policy reforms and issues of trade diversification. In this context, specific country case studies on a number of African LDCs were prepared (Madagascar, Niger and Sierra Leone for the meeting on women, the Gambia, Malawi and the United Republic of Tanzania for the meeting on fiscal policy reforms, and on Benin, Cape Verde, Mozambique, Niger and Uganda for the meeting on trade diversification).

9. Land-locked developing countries

83. With regard to technical cooperation assistance for the African land-locked countries, UNCTAD has continued to make efforts to mobilize resources to support transit transport projects in Africa following the termination of projects previously funded by UNDP and USAID. UNCTAD has in this regard prepared comprehensive draft project documents in consultation with relevant subregional institutions, and these draft projects have been circulated to various potential donors. In East-Central Africa these initiatives have been fully supported by the Governments concerned. The Extraordinary Meeting of the Transit Transport Coordination Authority (TTCA), attended by the Ministers of Transport from Burundi, Kenya, Rwanda and Uganda in Mombasa in June 1996, considered the proposals for relaunching the transit transport project for East/Central Africa and agreed that the Chairman of TTCA should approach potential donors in order to solicit resources for revitalizing the project. The meeting also agreed that UNCTAD and the Permanent Secretariat of TTCA based in Mombasa should jointly follow up this initiative in order to ensure that appropriate arrangements are made to commence the project activities as soon as possible. UNCTAD and the Permanent Secretariat of TTCA were also requested to undertake a review of the transit transport agreement for East-Central Africa which will be expiring at the end of 1996. Resources for undertaking this review have also been sought from potential donors by the Chairman of TTCA.